



## **RISK MANAGEMENT FUND PROGRAM GUIDELINES**

### **Purpose:**

The Risk Management Fund Program (“Program”) provides a mechanism for ICRMA members to fund expenditures to support safety and risk management programs. The fund allows members to more efficiently plan expenditures.

### **Funding:**

Annually each participating Member’s Liability Program annual contribution will include \$5,000 for its individual Risk Management Fund account. Members that elect not to participate in the Program must notify the ICRMA Director of Loss Control in writing on or before March 1st. The ICRMA Director of Loss Control will communicate that information to the Finance Director for the purposes of budget calculations. Member Program deposits will be accounted for separately.

A participating Member’s Program deposits will be for that Member only. The Risk Management Fund accounts will be non-interest bearing. Any funds remaining in a Member’s account at the end of a fiscal year will be carried over. The carryover of unused account balances will continue until the account balance reaches \$25,000. No additional Program deposits may be made until the Member’s account balance falls below \$25,000.

Should a Member withdraw from the Pool, the balance of their Risk Management Fund account will be returned within 90 days of the effective date of the Member’s withdrawal.

### **Use Guidelines:**

Program funds will be used to reimburse Member expenditures for the following:

1. Controlling or minimizing risks that could result in injury, illness, and/or claims filed against the City.
2. Development, implementation, and maintenance of safety and risk management programs.
3. Emergency and disaster preparedness.
4. Special expenditures permitted by ICRMA and/or the ICRMA Director of Loss Control.

Program funds will not be used toward:

1. General maintenance or upkeep;
2. Regular expenses such as operating supplies, materials, or equipment;
3. Any expenses that the City is obligated to make, including monetary fines resulting from regulatory citations.

### **Reimbursement Process:**

1. Each Member will designate a person authorized to submit requests for reimbursement from its Risk Management Fund account.

NOTE: When the reimbursement check is payable to the person normally authorized to make the reimbursement request, his/her supervisor must approve the request for reimbursement.

2. The Member's authorized representative will submit a completed request form to the ICRMA Loss Control Director.
  - a. "Proposals for Purchase" submission will include a quote from the vendor, including the vendor's name and address.
  - b. "Requests for Reimbursement" will include proof of payment and full description of the service or product.
  - c. The ICRMA Loss Control Director will be responsible for reviewing the proposals and requests, and initiating the payment or reimbursement process.
3. When a "Proposal for Purchase" is approved:
  - a. The check will be made payable to the vendor designated on the request form and delivered to the requesting member for completion of the purchase.
  - b. The member will provide ICRMA Loss Control Director with a copy of the "paid" invoice once the purchase has been made to confirm the purchase.
  - c. ICRMA's Finance Director will combine this documentation with the documentation from the original purchase proposal as a complete record of the transaction.
  - d. If a copy of the paid invoice is not received by ICRMA, no further disbursements will be made until the required documentation of finished transaction is provided.
4. When a "Request for Reimbursement" is approved, the check will be made payable to the member and sent to the normal mailing address for that member unless otherwise directed by the member's authorized representative.
5. The ICRMA Loss Control Director will contact Members to discuss submissions that do not appear to meet ICRMA guidelines.
6. A Member may appeal denied requests to the Board.
7. ICRMA's Finance Director will process reimbursements in accordance with the internal controls established by ICRMA.
8. ICRMA's Finance Director will prepare quarterly reports of Risk Management Fund balances and an annual report of how the funds were used. Both reports will be made to the Board.



**Independent Cities Risk Management Authority  
Risk Management Fund Program  
Use of Funds Request**

<b>City:</b>		<b>Date:</b>	
<b>Name of Authorized City Representative:</b>		<b>Title:</b>	
<b>Signature:</b>			
<b>Phone No:</b>		<b>Email address:</b>	
<b>Make check payable to: Mailing Address:</b>			
<b>Deliver the check to the attention of:</b>			
Use of Funds Description			Amount Requested
			\$
<b>Total:</b>			\$
<i>Email request and support documents to Bob May <a href="mailto:biem47@outlook.com">biem47@outlook.com</a></i>			
<p><b>Please be sure to include supporting documentation:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Copy of invoice</b> (if reimbursing City, copy of paid invoice/receipt)</li> <li><input type="checkbox"/> <b>W9 of payee</b> if ICRMA is to pay vendor directly</li> </ul> <p><i>Distribution of funds contingent on available fund balance.</i></p>			